THE NEW
INDIAN EXPRESS
BENGALURU • FRIDAY • NOVEMBER 13, 2020 • ₹7.00 • PAGES 48 • LATE CITY EDITION

READ SHARE FOLLOW
newindianexpress.com
facebook.com/thenewindianexpress twitter.com/newindianexpress
instagram.com/newindianexpress

ENHANCING CONNECTIVITY WITH ASEAN A PRIORITY: MODI

PM said strengthening all kinds of connectivity, including in social, digital and financial spheres, with Asean is a major focus for India

INDIA AND ASEAN HAVE SIMILAR GOALS

Prime Minister Narenda Modi made the remarks at a virtual summit between India and the 10-nation Asean grouping. "We believe a cohesive and responsive Asean is needed for security and growth for all in the region," Modi said. He added there are many similarities between India's 'Indo-Pacific Oceans Initiative' and Asean's 'Outlook on Indo-Pacific'

PM CO-CHAIRS ASEAN-INDIA SUMMIT

- PM Modi, along with his Vietnamese counterpart Nguyen Xuan Phuc, virtually co-chaired the 17th ASEAN-India Summit
- The summit is taking place amid China's aggressive behaviour in the disputed South China Sea as well as in eastern Ladakh. Many Asean countries have territorial disputes with China | P9

RCEP

PACT WILL BE SIGNED ON SUNDAY, WITH A CLAUSE FOR INDIA TO JOIN LATER | P9

CHENNAI • MADURAI • VIJAYAWADA • BENGALURU • KOCHI • HYDERABAD • VISAKHAPATNAM • COIMBATORE • KOZHIKODE • THIRUVANANTHAPURAM • BELAGAVI • BHUBANESWAR • SHIVAMOGGA • MANGALURU • TIRUPATI • TRICHY • TIRUNELVELI • SAMBALPUR • HUBBALLI • DHARWAPURI • KOTTAYAM • KANNUR • VILLUPURAM • KOLLAM • WARANGAL • TADEPALLIGUDEM • NAGAPATTINAM • THRISSUR • KALABURAGI

EASING COVID STRESS

Stimulus shot for jobs, businesses, economy

Nirmala Sitharaman's third package offers job creation scheme; emergency credit line guarantee extended till March 2021

ANURADHA SHUKLA @ New Delhi

EPF INCENTIVE TO CREATE JOBS

- Scheme to generate employment during the Covid recovery phase
- Centre to provide subsidy for two years in respect of new eligible employees appointed on or after October 1, 2020
- Scheme to be operational till June 30, 2021

Companies employing up to 1,000 — GOVT TO PAY (Total 24% of monthly wages) — Companies employing more than 1,000

Employee's EPF contribution — 12% — Employees' EPF contribution 12% (of monthly pay)

Employer's EPF contribution — 12%

₹30 LAKH CRORE
Cumulative stimulus package announced since the lockdown has touched 15% of the GDP

ELIGIBILITY

- Companies with less than 50 employees, if they add at least two new staff
- Firms with more than 50 staff, if they create a minimum of five new jobs

THE government on Thursday sought to lift the sagging economy through an early Diwali gift in the form of Atmanirbhar Bharat 3.0.

The long-awaited stimulus package unveiled by Finance Minister Nirmala Sitharaman aims to generate employment, offer credit support to 26 stressed sectors identified by the Kamath Committee, and revive the real estate sector.

Sources said the Centre's additional spending this year will be ₹1.30 lakh crore as most schemes are spread over 2-5 years.

The cumulative stimulus measures announced so far stand at around ₹30 lakh crore, or 15% of the GDP, according to Sitharaman. She pegged the total allocation of the measures announced on Thursday at ₹2.65 lakh crore. This includes the productivity-linked incentive scheme announced on Wednesday.

While the government extended the ₹3 lakh crore emergency credit line guarantee scheme till March 31 next year, the centrepiece of the third stimulus package was Atmanirbhar Bharat Rozgar Yojana, which aspires to generate employment.

It offers a two-year subsidy to firms that hire employees between September 30, 2020 and June 30, 2021. Under this, the government will pay both the employee's contribution towards EPFO (12% of basic salary) and the employer's contribution (12%) in firms with less than 1,000 staff.

For larger firms employing over 1,000, the government will pay only the employee's part (12%) with the companies continuing to contribute 12% as before. The subsidy will be only for employees with monthly wages up to ₹15,000.

To avail the scheme, companies with less than 50 employees will have to hire two new staff, while firms with headcount above 50 will need to create five new jobs.

The subsidy will cost the government ₹6,000 crore over two years. Experts say it will improve the jobs scenario.

Sitharaman also allocated ₹10,000 crore more for the rural job scheme.

Meanwhile, the struggling real estate sector has got a good reason to cheer with the FM announcing ₹18,000 crore extra stimulus under the PM Awas Yojana. Plus, tax rules have been eased to allow sale of housing units up to ₹2 crore at a price 20% below the stamp duty circle rate. Currently, rules restrict the differential at 10%, lest penalties under I-T Act will apply. FULL COVERAGE: P13

Registration fee cut to 3 pc for industries, low-cost flats

EXPRESS NEWS SERVICE
@ Bengaluru

ON the day Union Finance Minister Nirmala Sitharaman announced a fresh economic stimulus package, the Karnataka cabinet approved slashing of registration fee for industries and low-cost apartments.

Under the New Industrial Policy, the cabinet approved slashing of registration fee from 5 per cent to 3 per cent. This has also been extended to apartments costing under Rs 20 lakh. The move is expected to help home buyers in tier-II and tier-III cities.

"Flats costing less than Rs 20 lakh will also be eligible for this rebate on registration fee," said Karnataka Law and Parliamentary Affairs Minister J C Madhuswamy.

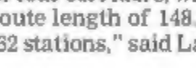
In May, the state government had reduced the registration stamp duty from 5 per cent to 3 per cent for properties costing between ₹21 lakh and ₹35 lakh.

In his budget announcement, Chief Minister B S Yediyurappa had promised reduction in property registration fees for first-time buyers.

TRACKING THE SUBURBAN RAILWAY

CORRIDOR 1	BENGALURU TO DEVANAHALLI	41.40 KM, 13 STATIONS
CORRIDOR 2	BAIYAPPANAHALLI TO CHIKKABANAVARA	25.01 KM, 14 STATIONS
CORRIDOR 3	KENGERI TO WHITEFIELD	35.52 KM, 14 STATIONS
CORRIDOR 4	HEELALIGE TO RAJANAKUNTE	46.24 KM, 19 STATIONS

OPERATIONAL SPEED: 110 KMPH



CAPACITY: 350 PASSENGERS PER CAR (SITTING AND STANDING)

LAND REQUIRED (IN ACRES)

PRIVATE	GoK	RAILWAY	TOTAL
103	153	327	583

TO BE ACQUIRED | COMPLETION PERIOD: 6 YEARS

Cabinet approves borrowing of ₹7,438 crore for suburban rail

EXPRESS NEWS SERVICE
@ Bengaluru

THE Karnataka Cabinet on Thursday gave administrative approval for borrowing ₹7,438 crore (60% of the total estimated project cost) for the much awaited Bengaluru Suburban Rail project, from donor and lending agencies.

While the initial cost was estimated at ₹18,621 crore, it has since been reduced to ₹15,767 crore by opting for a PPP (public-private partnership) model for procurement, operation and maintenance of rolling stock to bring down capital cost. Of the total, the Union and Karnataka governments are to fund 20 per cent each. Apart from the equity amount, Karnataka will also fund the cost of land, State GST, interest during construction and front-end fee.

"As per suggestions of the Union Finance Ministry and Railway Ministry, ₹7,438 crore can be borrowed via a Special Purpose Vehicle. The project will cover four corridors, with a total route length of 148.17 km and 62 stations," said Law and Parliamentary Affairs Minister J C Madhuswamy.

Sources hinted that the state is looking to raise loans at an interest rate of 1.4% for a period of 30 years with repayment starting in 2029. The loan guarantees for the 60 per cent borrowing is proposed to be shared equally between State and Union governments.

Land belonging to Railways and the State Government is proposed to be leased at a nominal lease of Re 1 per acre while the cost of private land to be acquired will be borne by the state. The project is projected to be completed in six years. The revenue per year from the completed suburban rail project is estimated at ₹1,378 crore.

Up to BJP to decide on LJP's fate, says Nitish

RAJESH KUMAR THAKUR @ Patna

JD(U) president and Bihar Chief Minister Nitish Kumar being greeted by supporters as he arrives at the party office, in Patna on Thursday | PTI

CHIEF Minister Nitish Kumar on Thursday casually tossed the LJP bomb on to the BJP's lap, saying it was for them to decide on the fate of Chirag Paswan's party, whose demolition job reduced the JD(U) to third position in the recent Assembly polls.

Chirag had dropped out of the state NDA weeks before polling to attack Nitish's party but chose to stay with the central NDA, saying he wanted to strengthen Prime Minister Narendra Modi's hands.

"It is up to the BJP to look into this. We are analysing as how the votes were divided on the seats of our candidates. Both the NDA and the JD(U) are studying it," he said.

Addressing his first press meet after the polls, Nitish said the government formation process will be discussed at an NDA meet on Friday. The date of the swearing-in will be finalised in the next few days.

A day after Modi's endorsement of him continuing as the chief minister, Nitish sought to weave out of a question on whether he wanted to head the NDA government again.

Claiming that he never projected himself as the chief minister, Nitish said, "It is up to the NDA to decide. We will abide by its decision."

Rebutting RJD leader Tejashwi Yadav's allegation that the mandate was snatched away by the NDA through manipulation, Nitish said it was the NDA that got the mandate.

Seeking to bring closure to the debate on his recent one-liner that this election was his last, he said, "I will continue serving the people as long as they would want."

Nitish said he will resign after the NDA legislature party meeting to pave the way for the installation of the next government. "The tenure of this government is till Nov 29. In the next few days, every thing will be cleared and completed." P10

RBI had warned of 'unrelenting pressure of inflation'

In its latest report on the state of economy, the Reserve Bank of India had flagged the unrelenting pressure of inflation as a downside risk confronting the prospects of economic recovery. "The foremost is the unrelenting pressure of inflation, with no signs of waning in spite of supply management measures...There is a grave risk of generalisation of price pressures, unanchoring of inflation expectations feeding into a loss of credibility in policy interventions and the eventual corrosion of the nascent growth impulses that are making their appearance," RBI said

RETAIL INFLATION AT 77-MONTH HIGH IN OCT

EXPRESS NEWS SERVICE
@ New Delhi

INDIA's factory output grew for the first time in seven months in September, government data showed on Thursday, raising hopes that the economy may be on the mend. But the cheer could be short-lived as another set of data showed retail inflation has climbed to a 77-month high in October at 7.61%.

An RBI report released on Wednesday night had said India entered a technical recession in the first half of FY21 for the first time in history. The central bank also pegged an 8.6% contraction in GDP in the September quarter.

According to the official data released on Thursday, the Index of Industrial Production (IIP) was up on the back of improved mining activities, which grew at 1.4%, better demand for electricity at 4.9% and improvement in manufacturing activity, which contacted 0.6% against 7.9% dip in August 2020.

Devendra Pant, chief economist at CARE Ratings, said the growth in industrial production would not have been possible without last year's low base as IIP had contracted 4.6% in September 2019.

He added whether this recovery is sustainable or not will depend on the data that comes over the next few months.

In another worrying development, annual consumer price inflation in India rose to 7.61% in October, the highest since May 2014, mainly on account of high food prices.

Food inflation surged to 11.07%, the highest since January. Vegetables inflation stood at 22.5%, pulses at 18.3%, meat and fish inflation was 18.7%, while that for eggs, it came in at 21.8%.

Aditi Nayar, principal economist at credit ratings agency ICRA, said the possibility of a rate cut in February 2021, too, looks slim at the moment, because inflation is expected to recede below 6% only after December.

EXPRESS READ

Consent for contempt case against Kamra

New Delhi: Attorney General K K Venugopal Thursday granted consent for initiation of criminal contempt proceedings against stand-up comedian Kunal Kamra for his tweets which allegedly criticised the Supreme Court, saying the tweets are in 'bad taste'. P9

BBMP hints at curbs on New Year revelry

Bengaluru: BBMP on Thursday hinted at imposing restrictions on New Year celebrations by limiting it to homes. BBMP Commissioner N Manjunatha Prasad felt it will be difficult to maintain social distance in crowds of people, amid the Covid situation. P2

WITH THIS ISSUE — CITY'S BEST WEEKEND GUIDE — INDULGE — 48 PAGES, INCLUDING 32 OF INDULGE (TABLOID)

Drugs worth ₹1.2 cr hidden in foot massager seized

EXPRESS NEWS SERVICE
@ Bengaluru

A stash of MDMA pills that was seized in Bengaluru on Thursday | EXPRESS

THE Bengaluru Customs officials have seized 2.575 kg of drugs worth ₹1.23 crore in separate cases over the last two days at the Foreign Post Office (FPO) at Chamarajpet and at the cargo section of the Kempegowda International Airport.

A big seizure was effected at the FPO on Thursday where MDMA (3,4-Methylenedioxymethamphetamine, commonly known as Molly or Ecstasy) pills, weighing 2.345 kg, were recovered from a foot massager which had arrived from a fictitious city in France to a fictitious name and address in Bengaluru. The seized MDMA pills are valued at Rs 1.2 crore in the international market.

This is the first time that drugs have been sent through a foot massager through the Post Office. A similar incident was reported in the cargo section of the airport three months ago, an official said.

A senior Customs official told *The New Indian Express* that the details on the parcel raised suspicion.

"The drug was packaged in a foot massager box with the heading 'Foot Massaging Machine'. But the value of the product was shown as $5. We sensed something was amiss and suspected it to have contraband material. An X-ray scan showed only the outer casing of the foot massager," the official said.

"We dismantled the massager and found that it had packets of the drug concealed inside. The consignment was from 'Villa Rancy' city in France to a person named 'Dan' in Bengaluru, both of which are fictitious," another official said. P5

SEAMLESS CONNECT

Cities beyond Bengaluru to get on the digital superhighway

EXPRESS NEWS SERVICE
@ Bengaluru

WITH the Covid-19 pandemic triggering the new normal of 'work from home' or 'work from anywhere', the State Government is looking at effectively leveraging and accessing talent and skill available across Karnataka with focus on expanding the digital footprint in cities other than Bengaluru.

The government on Thursday rolled out an ambitious initiative, 'Beyond Bengaluru', with focus on building innovation and a technology ecosystem outside Bengaluru. Deputy Chief Minister Dr C N Ashwath Narayan, who is also the Minister of Electronics, IT, BT, and S&T, on Thursday inaugurated 'Beyond Bengaluru' as part of Bengaluru Tech Summit 2020 (November 19-21), saying this measure was aimed at enhancing the growth of IT/ITeS, Business Processing Outsourcing (BPO), Electronic System Design Manufacturing (ESDM) and telecom sector in-

dustries located in Mysuru, Mangaluru, Hubbali, Dharwad, Shivamogga, Belagavi and Kalaburagi cities.

At present, other areas outside Bengaluru are contributing just 5 per cent of the total revenue of the industry and this needs to be increased significantly to achieve Karnataka's target of becoming a trillion-dollar digital economy by 2025.

Dr E V Ramana Reddy, Additional Chief Secretary, Department of Electronics, IT, BT and S&T, said, "For enhanced ecosystem growth, it is important that we look at infrastructure development, market access, ecosystem engagement and talent development in cities other than Bengaluru. Furthermore, it is increasingly important that we implement necessary steps to support and promote innovation, growth and development in these cities."

The government is considering various incentives and offerings to give a major push for the 'Beyond Bengaluru' initiative to take root in areas outside of Zone 4 (areas categorised as industrially developed under classification of zones in Karnataka for the purpose of incentives and concessions). P5